

Extending Participation

Contract Extensions of Participation

Contract Extensions will receive priority consideration in any award cycle. Participants should make their contract extension requests as early in the final year of their obligation as possible (at least 6 months prior to the termination of their contract). Participants who wish to extend their participation in the LRP for an additional year should request an extension. If loan repayment funds are available, subject to the availability of funds appropriated by the Congress to the LRP, and the priority staffing needs of the IHS or Indian health programs, would continue to be met by an extension of their service, participants may be selected to continue their participation in the LRP. The participant must also have eligible health professions education loans not paid for under the initial contract.

Any individual who enters this program and satisfactorily completes his or her obligated period of service may apply to extend his/her contract on a year-by-year basis, as determined by the IHS. Participants extending their contracts will receive up to the maximum amount of \$20,000 per year plus an additional 20 percent for Federal Withholding. Participants who were awarded loan repayment contracts prior to FY 2000 will be awarded extensions up to the amount of \$30,000 a year and 31 percent in tax subsidy if funds are available, and will not exceed the total of the individual's outstanding eligible health profession educational loans.

The total period of service may not exceed the number of years that it will take to repay the total amount of the individual's qualified loans at up to \$30,000 and an additional 31 percent in Federal Withholding per year under the terms and conditions of the LRP contract. LRP recipients will be allowed to submit additional Section 3 Financial Information not covered under their initial verification of debt.

"Section E—Contract Extension" of the LRP Contract provides, in part, as follows:

Once the Secretary or his/her authorized representative approves a contract extension, the period of obligated service thereunder shall be calculated beginning the first day after which the participant's initial period of obligated service is completed, if completed the same fiscal year in which the contract extension is approved and if the participant remains on duty after completion of his/her initial period of obligated service. However, once program funds are exhausted, the Secretary will not sign the contract extension requests and no credit will be given for the time served after the completion of the initial period of obligated service. Loan Repayment recipients are therefore encouraged to make their contract extension requests as early as possible, preferably 6 months prior to the completion of their initial period of obligated service.